

HAYWARD AREA PLANNING ASSOCIATION

September 25, 2007

California Energy Commission

Ms. Jackalyn Pfannestiel, Chair

by fax to Executive Office at 916-654-4420 and Paul Kramer, Hearing Office, 916-654-3897

by email pdf attachment to Jackalyn Pfannestiel <cgraber @ energy.state.ca.us>

DOCKET 01-AFC-7
DATE <u>SEP 25 2007</u>
RECD. <u>SEP 25 2007</u>

Subject: Russell City Energy, Docket 01-AFC-7C for Sept. 26, 2007

Dear Energy Commission:

The Hayward Area Planning Association has serious concerns about the Russell City (Calpine) and East Shore (Tierra) power plants proposed for the Hayward shorelands. These are huge plants in their size and electrical capacity.

While natural gas peaker plants like East Shore are preferable to oil, coal, or new hydro, we believe there are alternatives preferable to natural gas and the severe peaking of electrical demand on hot summer afternoons and on cold winter evenings.

We support not building these two plants. We support, at a minimum, delaying action until substantive and procedural problems are adequately considered by the public, environmental groups, the City of Hayward, Alameda County, the California Energy Commission, and the Bay Area Air Quality Management District. There has not yet been a chance for public consideration of the details of these plants as currently proposed.

The problems are air pollution, misplaced mitigation, hazards to aviation, visual blight, urban heat island effects, use of fossil fuels, and the exclusion of Alameda County from the planning process.

- These plants will cause severe increases in air pollution--particulates, NOx, CO, ROG, SOx, ammonia, other toxic air contaminants. Hayward has no air quality monitoring stations. The Bay trail and the recently purchased salt ponds are nearby. Air pollution will affect recreational users and the Clapper Rail, Snowy Plover, Salt Marsh Harvest Mouse, Least Tern, and other wildlife found within a few miles of the power plants. If the pollution exists, the impacts exist, and should not be superficially dismissed as insignificant by people who don't care about air quality.
- Mitigation measures are inadequate and misplaced, allowing air in and around Hayward to be degraded while pollution credits are used to benefit other areas.

- A plume of hot gases and exhaust rising up to 1,000 feet from proposed exhaust smokestacks 70 feet (Tierra) to 145 feet (Russell) high will pose a hazard to aviation using the Hayward Municipal Airport and, thus, to the public below.
- These proposed exhaust smokestacks, large industrial buildings with cooling towers, and new transmission towers and lines will cause visual blight close to a natural area.
- These plants are not out in some rural area; they are part of the densely populated East Bay plain. Burning natural gas increases local area heat from generating the power and then using it for air conditioning, both of which increase urban heat island temperatures and lead to demand for even more air conditioning--by those who can afford it.
- Burning natural gas produces more greenhouse gases. California and the nation need to decrease use of all fossil fuels and increase the use of alternatives more consistent with sustainability. Air circulation may sometimes reduce the local heat island effect, but the impact on global warming remains the same.
- So far there has been no application to Alameda County for a plant to be built in part in the county.

These plants, if needed at all, should be built where power demand is increasing the most, in Santa Clara and San Mateo counties. They should not be built in places with less increase in demand. Let those most in need bear the external costs. In fact, if the external costs were internalized, these plants would not be proposed in the first place.

There is, however, a better alternative. Electrical needs can be better met with time-of-day pricing, insulation of buildings, fluorescent light bulbs, solar thermal, solar photovoltaic panels, wind energy, energy-efficient industrial motors and household appliances, transit-oriented development, waste cooking oil, and a multitude of additional cost-effective energy conservation strategies. These alternatives reduce fossil fuel use, peak demand, and the need for electricity in general.

Circumstances have changed substantially since these plants were proposed in the midst of an artificial energy crisis. AB 32 is now law. Also, on October 21, 2006, the Governor signed a bill for "a million solar roofs," increasing the effectiveness of PUC policies already in place. Solar roofs alone can supply 3,000 megawatts in California, far more than the 600 megawatts from the Russell City Plant. The Bay Area will get a substantial part of the 3,000 megawatts, and, combined with pricing incentives, sustainable sources, and conservation, alternatives can meet the need for electricity.

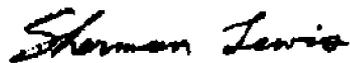
The problem is timing. The energy is not really needed now or we would be having brownouts. In the long run alternatives will work. So the problem is how soon the alternatives can be effective relative to the power plants. We know the power plants can be built in a predictable time frame, while opinions vary about alternatives. We believe that stopping the power plants is essential to develop the political will and prices needed to develop the alternative.

We believe there are no technological problems whatsoever with making the alternatives work. There is, similarly, no excuse for building coal or diesel plants.

The shorelands need more protection, not more development. We support conservation, reclamation and preservation of the shorelands in a natural state for habitat, wildlife diversity, and recreational use. HASPA should be strengthened to do its job. Land use designations and zoning should prohibit destructive uses like these power plants.

We need to get off the fossil energy path; we need to get on a sustainable energy path.

Sincerely

A handwritten signature in cursive script that reads "Sherman Lewis".

Sherman Lewis, President
HAPA
2787 Hillcrest Ave.
Hayward CA 94542
510-538-3692
sherman@csu Hayward.us

BEFORE THE ENERGY RESOURCES CONSERVATION AND DEVELOPMENT COMMISSION OF THE
STATE OF CALIFORNIA

Amendment to the APPLICATION
FOR CERTIFICATION OF THE
RUSSELL CITY ENERGY CENTER
POWER PLANT PROJECT

Docket No. 01-AFC-7C
PROOF OF SERVICE
(Revised 7/6/07)

INSTRUCTIONS: All parties shall 1) send an original signed document plus 12 copies OR 2) mail one original signed copy AND e-mail the document to the web address below, AND 3) all parties shall also send a printed OR electronic copy of the documents that shall include a proof of service declaration to each of the individuals on the proof of service:

CALIFORNIA ENERGY COMMISSION
Attn: Docket No. 01-AFC-7C
1516 Ninth Street, MS-4
Sacramento, CA 95814-5512
docket@energy.state.ca.us

APPLICANT

Michael A. Argentine, PE
Director, Project Development
Calpine Corporation
104 Woodmere Road
Folsom, CA 95630
margentine@calpine.com

Marianna Isaacs,
Administrative Manager
Calpine Corporation
3875 Hopyard Road, Suite. 345
Pleasanton, CA 94588
misaacs@calpine.com

COUNSEL FOR APPLICANT

Gregg L. Wheatland, Esq.
Ellison, Schneider & Harris L.L.P.
2015 H Street
Sacramento, CA 95814-3109
glw@eslawfirm.com

CONSULTANT TO APPLICANT

Doug Davy, Senior Project Manager
CH2M HILL
2485 Natomas Park Drive, Suite 600
Sacramento, CA 95833
ddavy@ch2m.com

INTERESTED AGENCIES

Larry Tong
East Bay Regional Park District
2950 Peralta Oaks Court
Oakland, CA 94605-0381
Ltong@ebparks.org

Weyman Lee, PE
Bay Area AQMD
939 Ellis Street
San Francisco, CA 94109
weyman@baaqmd.gov

Mark Taylor, Field Supervisor
East Bay Regional Park District
3050 West Winton Avenue.
Hayward, CA 94545
hayward@ebparks.org

Alex Ameri, P.E.
Deputy Director of Public Works
777 B Street
Hayward, CA 94541-5007
Alex.Ameri@hayward-ca.gov

Larry Tobias
CA. Independent System Operator
151 Blue Ravine Road
Folsom, CA 95630
LTobias@caiso.com

Bob Nishimura
Bay Area AQMD.
939 Ellis Street
San Francisco, CA 94109
bnishimura@baaqmd.gov

Electricity Oversight Board
770 L Street, Suite 1250
Sacramento, CA 95814
esaltmarsh@eob.ca.gov

INTERESTED PARTICIPANTS

CURE c/o Marc D. Joseph
Adams Broadwell Joseph & Cardozo
601 Gateway Boulevard, Suite 1000
South San Francisco, CA 94080
mdjoseph@adamsbroadwell.com

Paul N. Haavik
25087 Eden Avenue
Hayward, CA 94545
lindampaulh@msn.com

Parker Ventures, LLC
c/o Reneon & Roberts
Ten Almaden Boulevard, Suite 550
San Jose , CA 95113

ENERGY COMMISSION

JEFFREY D. BYRON
Associate Member
jbyron@energy.state.ca.us

JOHN L. GEESMAN
Presiding Member
jgeesman@energy.state.ca.us

Paul Kramer
Hearing Officer
pkramer@energy.state.ca.us

Lance Shaw
Project Manager
lshaw@energy.state.ca.us

Dick Ratliff
Staff Counsel
dratliff@energy.state.ca.us

Public Adviser
pao@energy.state.ca.us

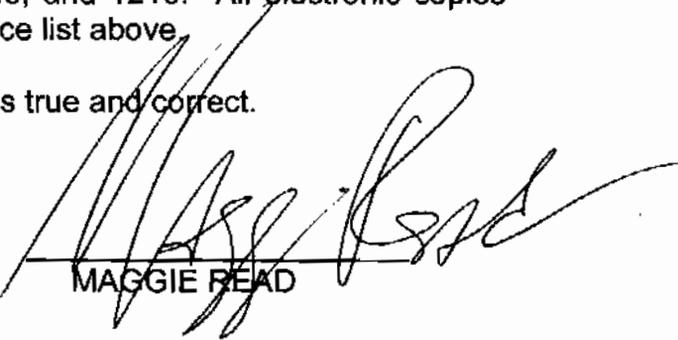
DECLARATION OF SERVICE

I, Maggie Read, declare that on September 25, 2007, I deposited copies of the attached 9/25/07 letter from Hayward Area Planning Association in the United States mail at Sacramento, California with first-class postage thereon fully prepaid and addressed to those identified on the Proof of Service list above.

OR

Transmission via electronic mail was consistent with the requirements of California Code of Regulations, title 20, sections 1209, 1209.5, and 1210. All electronic copies were sent to all those identified on the Proof of Service list above.

I declare under penalty of perjury that the foregoing is true and correct.



MAGGIE READ